



## Healthcare Practice Tip of the Month August 2016

### Dental Credit Cards: Protections Against Unfair Practices

Despite the partial restoration of Denti-Cal benefits for adults in 2014 and continuing efforts and innovative proposals to fix what most would agree is a broken system of dental care coverage, access to dentists and dental care remains stubbornly low for lower-income Californians. Many feel they must rely on dental credit cards to get the critical dental services they or their family members need or else go without.

As with other types of credit cards, many dental care credit cards offer 0% interest for one year for those who qualify, thereby enabling consumers to spread out the cost of dental services over a long period of time. If they don't qualify, or miss a payment, interest rates are high. Low-income consumers also sometimes fall victim to unfair practices by the dental credit card companies and/or dentists and their employees in relation to dental credit cards.

Some patients report being signed up for credit after their dentist's office incorrectly represents that Medi-Cal or insurance does not cover their dental services. In other cases, patients experience the converse—they are told that certain services are covered when they are not or only partially covered, and then are compelled to use dental credit cards to pay the dentist bill. Patients have also complained about being unaware that they were signing up for credit, often due to being made to sign a credit contract or application that is not in their primary language. Yet other consumers receive credit cards and incur interest charges for services they have not yet received or that they never receive.

How can advocates help clients with dental credit problems?

- **Protections under the Business & Professions Code § 654.3 and Health & Safety Code § 1395.7.** The protections under these sections include the following:
  - Dentists or their employees/agents cannot arrange credit for services not yet received unless the patient is first given a specified written notice and treatment plan.
  - The specified written notice must be provided in a patient's primary language, if it is one of the Medi-Cal threshold languages (Arabic, Armenian, Khmer, Chinese, Farsi, Hmong, Korean, Russian, Spanish, Tagalog, and Vietnamese), for patients who are non- or limited-English-speakers.
  - Dentists or their employees/agents cannot arrange credit for patients who are under the influence of general anesthesia, conscious sedation

- or nitrous oxide.
- Before arranging for credit for future treatment, the dental office must give the consumer a treatment plan that explains what services the consumer will receive, what the consumer will be charged and what is covered by insurance or government program, or if the consumer needs to check with their insurance or program to see what is covered.
  - Within 15 business days of the patient's request, dentists must provide a refund for any payment that a patient has made for services that have not been received.

Dentists who violate these laws may be reported to the California Dental Board or sued under California's Consumer Legal Remedies Act. (See Civil Code § 1780.)

- **Additional language access protections under Civil Code § 1632.** This section, requires a person in a trade or business who negotiates primarily in Spanish, Chinese, Tagalog, Vietnamese, or Korean in entering into a contract with a consumer, to give the consumer a written translation of the proposed contract in the language used in negotiations. Many advocates have invoked this provision, coupled with the consumer credit protections enumerated above, to help their clients get relief from unfair dental credit card practices. The California Department of Consumer affairs provides [more information](#) on this and the other provisions of § 1632.
- **Protections related to credit cards in general.** Federal and state laws provide credit card chargeback rights that allow consumers to dispute the charges on their credit card bills. A [brief explanation of these rights](#) is available on California's Office of the Attorney General Website. Time is of the essence - consumers typically have greater protections if they dispute a charge within 60 days of the date of the statement it first appears on.

For a consumer brochure explaining medical credit cards, please click [here](#).



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